# Free and Reduced Price Guidance



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School Food Services Section
Missouri Department of Elementary and Secondary Education

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#### INTRODUCTION

The United States Department of Agriculture (USDA) has established regulations to carry out the intent of Congress that nutritious meals or milk be made available to every school student regardless of the household's ability to pay. This guidance sets forth guidelines for school officials responsible for determining eligibility for free and reduced price meals in schools that participate in the National School Lunch and School Breakfast Programs and for free milk in schools that participate in the Special Milk Program exercising the free milk option or that provide free milk to eligible split-session prekindergarten and/or split-session kindergarten children who do not have access to the lunch or breakfast programs.

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## **Free and Reduced Price Policy**

## Basic Requirements and Responsibilities

All schools participating in the Federally-assisted National School Lunch and School Breakfast Programs <u>must</u> make available free and reduced price lunches and breakfasts. Free and reduced price meal benefits must also be extended to schools participating in the After School Snack Program. At the option of the Local Education Agency (LEA), schools participating in the Special Milk Program may serve free milk to eligible children. This also applies to schools participating in the Donated Food Program.

The basic free and reduced price policy requirements consist of a policy statement, a public release, a parent letter and meal benefit form, the LEA's Methods of Collection & Meal Counting, and the Income Eligibility Guidelines as issued by the USDA.

LEAs participating in the Child Nutrition Programs are required by Federal regulations to adopt, and have on file with the State agency, an approved policy of standards and procedures for determining eligibility and extending free and reduced price meals under the National School Lunch, School Breakfast, and Special Milk Programs. We have incorporated the standard uniform policy into the meal benefit form-agreement. The policy statement <a href="mailto:must">must</a> be approved by the State agency by October 15 of each year for the LEA to receive reimbursement for meals and milk.

#### Public Notification of the Availability of Benefits

# Public Release with Income Guidelines

Prior to the beginning of school or during the first week of school, a press release to notify the public of the availability of the school nutrition programs and the eligibility criteria for free and reduced price meals and free milk **must be provided** to the local news media, the unemployment office, and any major employers who are contemplating layoffs in the attendance area of the school.

The public release <u>must</u> contain <u>both</u> the free and reduced price Income Eligibility Guidelines; however, the letter to parents and meal benefit form for free or reduced price meals must <u>not</u> contain the free meal guidelines.

Copies of the public release **<u>must</u>** be made available upon request to any interested persons.

## Parent Letter and Meal Benefit Form with Reduced Price Guidelines

A letter to parents containing the <u>reduced price</u> Income Eligibility Guidelines along with a meal benefit form <u>must</u> be provided to parents of all children in attendance at the school.

In schools participating in the Special Milk Program with the free milk option for all students or for those split-session prekindergarten and split-session kindergarten children who do not have access to the meal program, the free guidelines must be provided with the meal benefit form.

Meal benefit forms and letters should be sent to parents of all school children as early as possible in the school year, regardless of whether or not they were approved for benefits in the prior school year. Meal benefit forms should be reviewed and an eligibility determination made within 10 working days of the receipt of the meal benefit form.

New students enrolling in the LEA after the start of school should be provided a letter to parents and meal benefit form when they enroll.

#### Meal Benefit Form Distribution

Prototypes of individual and family meal benefit forms are provided in the Free and Reduced Price Meal Benefit Form and Direct Certification
Information/Procedures booklet. It is strongly recommended that the prototype forms be used. If any changes are made to the prototype forms the State agency must approve the changes before duplication and distribution.

The Meal Benefit
Forms (individual
and family) can be
Found in The
Free and Reduced
Price Meal
Benefit Form and
Direct
Certification
Information/
Procedures
Booklet Mailed to
your LEA in May

of Each Year.

In schools operating year-round, meal benefit forms should be distributed July 1 or soon thereafter so that households are provided with current eligibility criteria and eligibility determinations are based on the current Income Eligibility Guidelines.

Meal benefit forms <u>must not</u> be provided at the end of one school year to be returned at the beginning of the following school year. Households <u>must</u> be provided with the Income Eligibility Guidelines and other eligibility criteria on or about the beginning of the new school year.

Distributing meal benefit forms in the lunch line is not recommended because all students may not have access to the meal benefit form.

The school may distribute the meal benefit forms at school or they may be sent in the mail. For example, the school could include the meal benefit form in a packet of school-related information addressed to the parent, but carried home to the parent by the student at the beginning of the school year.

Meal benefit forms <u>must</u> be distributed in some manner. A public announcement that meal benefit forms are available and interested parties may pick one up is **not** sufficient.

#### Family Meal Benefit Form

The determining officials must be extremely careful when reviewing family meal benefit forms. Careful attention must be given to the following:

- When figuring total household size, the name (s) of the student (s) for whom the meal benefit form applies must also be included in the list of household members.
- Foster children should still have their own application because they are considered a household of one.
- Food stamp numbers are for the entire family. Temporary Assistance numbers are for an individual child.

LEAs <u>must</u> organize their file of meal benefit forms for free and reduced price meals so they can be easily retrieved by school. For LEAs with multiple schools, this may mean making copies of the meal benefit form if more than one student is named on the form and they attend different schools.

## Foreign Language

LEAs <u>must</u> send appropriate non-English language parent letters and meal benefit forms to households if a significant number of enrolled children come from households belonging to the same foreign language group and having limited English communicating skills.

Meal benefit forms are also available in the following languages: Cambodian, Chinese, Creole, French, Hmong, Japanese, Laotian, Portuguese, Russian, Spanish, Thai, and Vietnamese. You may contact our office for a copy. It will be sent with the English translation. You can also download these forms from the Internet at www.fns.usda.gov/cnd/Translations/Default.htm.

#### Direct Certification

In place of determining eligibility based on information submitted by the household on the meal benefit form, the LEA may determine children as eligible for free meals or free milk based on information obtained directly from the State agency that a child is a member of a household currently certified to receive Food Stamps or receives Temporary Assistance.

Through Direct Certification LEAs can certify as eligible for free meals those students enrolled in their system for whom there is a verifiable match with selected data provided by the Department of Social Services.

(See Free and Reduced Price Meal Benefit Form and Direct Certification Information/Procedures Booklet.)

To be considered a verifiable match, LEA enrollment data and Department of Social Services data must be matched by specific identifying data such as name, birth date, address, etc. At a minimum, the student's name must be matched with at least one identifier, e.g., birth date.

While the master listing of Department of Social Services data should be kept in the central office, listings of all children determined to be eligible for free or reduced price meals will still have to be compiled and easily retrievable by school.

A notice <u>must</u> be sent to households advising them that their children are eligible for free meals or free milk, as appropriate, and that no further meal benefit form is required. The household should notify the school if they do not want their children to receive free benefits and the household <u>must</u> notify the school when they are no longer certified to receive Food Stamps or Temporary Assistance.

Letters or notices and meal benefit forms must be distributed to households of all children at the beginning of the school year to prevent overt identification and to ensure that no child is inadvertently excluded from participation.

LEAs that implement Direct Certification are not required to send the letter or notice and meal benefit form to those households eligible under Direct Certification **IF** these materials are distributed through the mail, individual student packets, or another method that prevents the overt identification of children eligible for Direct Certification. Under this option, households eligible under Direct Certification will receive a letter notifying them that their children are eligible for free benefits, and other households will receive a parent letter or notice with a meal benefit form.

# Computerized Operation

In a computerized operation a school may send households a meal benefit form with a child's name, the name of the household, and the household's address pre-printed on it. No other information may be pre-printed. It is the household's responsibility to complete the meal benefit form.

#### **Meal Benefit Form Process**

#### Free and Reduced Price Reimbursement

The LEA or school **must** have a valid meal benefit form on file for each child served a meal or milk, meeting program requirements and which is claimed for Federal reimbursement at the free or reduced price rate. A valid meal benefit form is one which is complete and has been correctly approved for free or reduced price benefits.

#### Benefits Prior to Processing Meal Benefit Forms

Prior to processing meal benefit forms for the school year, the LEA may claim and be reimbursed for free and reduced price meals or free milk served to:

- Children from households with approved meal benefit forms on file from the previous year.
- Children from households that were determined eligible for free meals through the Direct Certification method the previous year;
- New children in an LEA from households with children who were approved for benefits the previous year, except that a child's categorical eligibility determined because of receiving Temporary Assistance may not be extended to a sibling.
- Previously approved children who transfer from one school to another
  under the jurisdiction of the same LEA. If the meal benefit forms are not
  centrally maintained, both the sending and the receiving school <u>must</u>
  maintain a copy of the transfer student's meal benefit form.

Meal benefit forms from the prior year may only be used for the children represented by these meal benefit forms. A child's categorical eligibility due to temporary assistance may not be extended to a sibling.

Prior to processing meal benefit forms for the school year, LEAs cannot claim or be reimbursed for free and reduced price meals or free milk served to new children who are not part of households approved the previous year or to children who transfer between schools under the jurisdiction of different LEAs <u>unless</u> the receiving school obtains a copy of the prior year's meal benefit form. Therefore, local school officials are encouraged to expedite eligibility determinations for all such new enrollees.

Meal benefit forms from a prior year are only valid for the first 30 operating days of the school year.

## Eligibility Determination

Categorical Eligibility: Children that are currently eligible for Food Stamps or Temporary Assistance benefits and provide a Food Stamp or Temporary Assistance case number and no income information, along with the name and signature of an adult household member, qualify for free meals. The case number is an eight digit number and may be preceded by a county number (up to 3 digits) and the letter S. The actual case number must be provided. The 16 digit number on the Electronic Benefit Transfer (EBT) card is **not** a case number and cannot be used to categorically approve children for free meals. Possession of the EBT card does not mean the household/child is currently eligible for Food Stamps or Temporary Assistance.

<u>Income Eligibility</u>: Review the income and household size information. Determine the total household income and the household size. If the total income for the household falls within the eligibility criteria, the student is eligible for either free or reduced price benefits as applicable.

Households that Provide Income Information and a Food Stamp or Temporary Assistance Case Number: If a household has provided a Food Stamp or Temporary Assistance case number and also reports income, the eligibility determination may be based on the Food Stamp or Temporary Assistance number alone.

#### Citizenship

U.S. citizenship is <u>not</u> a condition of eligibility for free and reduced price benefits. LEAs must apply the same eligibility criteria for citizens and noncitizens.

#### Complete Meal Benefit Form

Each incoming meal benefit form <u>must</u> be reviewed to ensure that it is complete.

Schools using a family meal benefit form should require the household to submit a separate meal benefit form for each foster child.

A complete meal benefit form <u>must</u> include all the following required information before the determining official can make an eligibility determination.

For all households not receiving Food Stamps or Temporary Assistance, the following information <u>must</u> be provided by the household <u>before</u> an eligibility determination can be made:

- Names of <u>all</u> household members, including the children for whom application is made.
- The monthly income received by each household member identified by source, such as wages, welfare, or alimony.

- Signature of an adult household member.
- Social security number of the adult household member signing the meal benefit form.

For Food Stamp households and/or Temporary Assistance unit, only the following information must be provided:

- Name of the child for whom application is made.
- List a current Food Stamp or Temporary Assistance case number for the child for whom application is being made. The case number is an eight digit number and may be proceeded by a county number (up to 3 digits) and the letter S.
- Signature of an adult household member.

For foster children the required information to determine income eligibility is:

- Name of the child.
- Child's personal income.
- Signature of an adult household member.

For children of mixed households: If a child is not eligible for Temporary Assistance, but resides in a household with other children who are Temporary Assistance recipients, the meal benefit form for that child **must** include all information to establish income eligibility for that child; e.g., the names of all household members, the social security number of the adult who signs that meal benefit form or an indication that the adult does not have a social security number, the amount of monthly income received by each household member identified by the individual who receives it (including the amount of any Temporary Assistance or other welfare grant). The value of Food Stamps is not counted as income.

For LEAs with a family meal benefit form, the meal benefit form would include:

- The Food Stamp/Temporary Assistance case number(s) for the children who are categorically eligible.
- Household size/income information for the income eligible children.

The household <u>must</u> provide all the required information on the meal benefit form for the meal benefit form to be considered complete. Any other information requested on the meal benefit form but not required, (e.g., racial, ethnic data) and not provided by the household <u>must</u> not delay approval of the meal benefit form.

## Meal Benefit Form Approval or Denial

Households that submit a complete meal benefit form which includes a valid Food Stamp or Temporary Assistance case number for the child for whom application is made <u>must</u> be approved for free benefits.

School officials may contact local Food Stamp and Temporary Assistance officials if there is any doubt concerning the validity of a case number.

Households that submit a complete meal benefit form indicating that total household income is at or below the income limits for free or reduced price benefits <u>must</u> be approved for free or reduced price benefits.

Households that submit an incomplete meal benefit form cannot be approved. If any <u>required</u> information is missing, the information <u>must</u> be obtained before an eligibility determination can be made.

To get the required information, the school may return the meal benefit form to the household or contact the household either by phone or in writing. The determining official should document the details of the contact, date and initial the entry.

<u>Exception</u>: If the meal benefit form is missing the signature of an adult household member, the meal benefit form <u>must</u> be returned to the household. In signing the meal benefit form, the household member is certifying that the information on the meal benefit form is true and correct.

Every reasonable effort should be made to obtain the missing required information prior to denying the benefits.

Households that are not categorically eligible or income eligible cannot be approved for benefits.

If there are inconsistencies or any questions concerning the required eligibility information provided, the household's meal benefit form <u>must</u> be denied, unless the inconsistencies or questions are resolved. The official may contact the household prior to denial, document the details of the contact, date and initial the entry.

# Computing Current Income

Households should provide the amount of current income received monthly. If current income is reported as other than a monthly figure, use the following calculation to compute:

#### Monthly Income

- weekly income x 4.33
- bi-weekly income (every two weeks) x 2.15
- semi-monthly income (twice a month) x 2

#### Annual Income

- weekly income x 52
- bi-weekly income (every 2 weeks) x 26
- semi-monthly income (twice a month) x 24

## Zero Income and Temporary Reduction in Income

When a household reports zero income or a temporary reduction in income, eligibility **must** be determined based on the present rate of income rather than on regular annual income. However, the approving official should issue temporary approval of the meal benefit form.

#### Temporary Approval -Timeframe

The timeframe for a temporary approval may vary depending on the household's circumstances; e.g., the primary wage earner expects to return to work in 2 weeks. In general, a suggested time limit for temporary approval is 45 calendar days. At the end of the approval period, the school should contact the household to determine if the household circumstances have changed. If there has been no change, the school should document the contact and extend the temporary approval. If the household circumstances have changed, the school should send a new meal benefit form to the household so that they may reapply for benefits.

<u>Exception</u>: Zero income on a meal benefit form for a foster child or institutionalized child is acceptable and may be approved for the school year.

Eligible children should receive temporary approval in the following types of economic situations:

- Temporary layoffs.
- Strikes (voluntary work stoppage).
- Temporary receipt of public assistance (in cases where the meal benefit form specifies receipt of public assistance for a limited time).
- Zero income, for whatever reason (except foster children and institutionalized children).
- Temporary disability.

## Household Failure to Apply

Local officials may complete a meal benefit form for a student <u>known</u> to be needy if the household fails to apply.

When exercising this option, the school official <u>must</u> complete a meal benefit form on behalf of the student based on the best household size and income information available and make an eligibility determination. The source of the information <u>must</u> be noted on the meal benefit form. Names of household members, social security numbers, and signature of an adult household member are not required. These meal benefit forms should be excluded from verification. The household <u>must</u> be notified that the student has been certified and is receiving free and reduced price benefits.

This option is intended for use in <u>individual</u> situations and does not allow eligibility determinations for categories or groups of children.

#### Notification of Eligibility or Denial

All households submitting a meal benefit form **<u>must</u>** be notified of their eligibility status.

Households <u>denied</u> benefits <u>must</u> be given written notification of the reason for denial and of appeal rights and procedures. The household <u>must</u> also be advised that they may reapply at any time during the school year if their circumstances change.

## Reporting Changes in Household Circumstances

Households approved for benefits **must** report changes in income of over \$50 per month or \$600 per year and any decreases in household size. When households report such changes, review the information, make any appropriate change in eligibility, and notify the household.

Households providing a Food Stamp or Temporary Assistance Case number **must** tell the school when they no longer receive Food Stamps or Temporary Assistance. A household reporting such a change and wishing to continue benefits for the student **must** complete a new meal benefit form, and provide household size and income information. Review the information, make an eligibility determination, and notify the household.

## Appeals

A household may appeal the denial of their benefits or the level of benefits for which they have been approved. The hearing procedures outlined in the LEA's free and reduced price policy statement <u>must</u> be followed.

## Recordkeeping

All free and reduced price meal benefit forms, including meal benefit forms from households denied benefits, inactive meal benefit forms, and Direct Certification documentation **must** be kept on file for a minimum of three years after the end of the fiscal year to which they pertain, except if audit

findings have not been resolved, the meal benefit forms <u>must</u> be maintained as long as required for resolution of the issues raised by the audit.

For meal benefit forms from households approved for benefits, the determining official should indicate the date each meal benefit form is approved, the level of benefit for which each child is approved, and sign or initial the meal benefit form.

For meal benefit forms from households denied benefits, the determining official <u>must</u> identify and retain on file the reasons for the denial. Records should also include the date of the denial, the date the denial notice is sent, and the name of the determining official. These may be noted directly on the meal benefit form.

For changes in meal benefit form status, determining officials should note the change and the date of the change on the meal benefit form and on any rosters used. When a child transfers to another school within the same LEA, a copy of the meal benefit form **must** be retained at both the sending and receiving schools and the date of the transfer noted.

#### Reduction or Termination of Benefits

Whenever there is a reduction or termination of benefits, households <u>must</u> be provided the 10-day advance notice of adverse action. When there is an increase in the level of benefits, the household <u>must</u> be notified and the increase in benefit level provided promptly.

## **Determining Household Size**

School officials must often use their own discretion in making household size determinations. The following provides some guidelines:

# Household and Family

A group of related or unrelated individuals who are not residents of an institution or boarding house, but who are living as one economic unit.

#### **Economic Unit**

A group of related or unrelated people who share housing and/or all significant income and expenses of its members. Generally, individuals residing in the same house are an economic unit. However, more than one economic unit may reside together in the same house. Separate economic units in the same house are characterized by prorating of expenses and economic independence from one another.

#### Food Stamp Household

Any individual or group of individuals currently certified to receive benefits under the Food Stamp Program.

#### Temporary Assistance Unit

Any individual currently certified to receive Temporary Assistance.

# Categorical Eligibility

A child for whom Food Stamps/Temporary Assistance is received is automatically eligible for free meals when the household provides a current Food Stamp or Temporary Assistance case number on the meal benefit form. Food Stamp determinations are by household and Temporary Assistance determinations are by individual.

If the application is made for another child in the household who is not eligible for Temporary Assistance or who is not a member of the Food Stamp household, eligibility for the non-categorically eligible child <u>must</u> be determined on a household size/income basis. Household size would include both the Temporary Assistance/Food Stamp members and the non-Temporary Assistance/Food Stamp members.

# Students Away at School

Students who are temporarily away at school (e.g., attending boarding schools or colleges) should be counted as members of the household.

## Family Members Living Apart/Military

Family members living apart on a temporary basis are considered household members. Family members living overseas or not living with the household for an extended period of time are not considered members of the household for purposes of determining eligibility, but any money made available by them or on their behalf for the household is included as income to the household.

Military personnel on shore duty living with the household or away on temporary duty (TDY) are considered household members.

#### **Foster Child**

A foster child is a child who is living with a household but who remains the <u>legal responsibility</u> of the welfare agency or court. Such a child is considered a household of one.

## Child Living with One Parent, Relatives, or Friends

In cases where no specific welfare agency or court is legally responsible for the child, or where the child is living with one parent, other relatives, or friends of the family, the child is considered to be a member of the household with whom he/she resides, and the size and total income of that household is used to determine the child's eligibility.

#### **Adopted Child**

An adopted child for whom a household has accepted legal responsibility is considered to be a member of that household. Therefore, the household's size and total income is considered in the eligibility determination.

# Institutionalized Child

An institutionalized child is a child who resides in a residential-type facility which the State has determined is not a boarding school. Such a child is considered to be a household of one.

# Student Attending An Institution

A student who attends but does not reside in an institution is considered a member of the household in which he/she resides.

# **Emancipated Student**

A child determined to be emancipated and living alone or as a separate economic unit is considered a household of one. In some cases, an emancipated child may be living with relatives or friends, none of which are adults. If the household is one economic unit, all income and household members <u>must</u> be included to determine eligibility. Age is not a factor in defining an emancipated child.

# Boarding School Students

A student in boarding school is considered a member of the household in which he/she normally resides. Therefore, household size and total household income are considered in the eligibility determination.

#### Foreign Exchange Students

A foreign exchange student is considered a member of the household in which he/she resides. Therefore, the household size and total household income are considered in the eligibility determination.

#### **Joint Custody**

Children of divorced/separated parents are part of the household which has custody. In cases where joint custody has been awarded and the child physically changes residence, the child is part of the household where he/she resides. The child's eligibility could change monthly, weekly, or daily, depending on the rotating time periods at each house-hold. The LEA must develop a mechanism to ensure that the child receives the benefits entitled to during periods of eligibility.

#### **DETERMING INCOME**

# Reportable Income

Income to be reported on the non-categorically eligible household's free and reduced price meal benefit form is any money received on a recurring basis including gross earned income. Gross income means all money earned before such deductions as income taxes, employee's social security taxes, insurance premiums, and bonds. Income includes the following:

- Payment of money for services, including wages, salary, commissions, tips, or fees.
- Social security benefits.
- Supplemental security income (SSI).
- Public assistance/welfare payments (Temporary Assistance, General Assistant, General Relief, etc.).
- Alimony or child support payments.
- Unemployment compensation and workers' compensation.
- Strike benefits.
- Government civilian employee or military retirement or pension.
- Veterans' payments.
- Disability benefits.
- Private pension or annuities.
- Regular contributions from persons not living in the household.
- Net income for self-employed farmers and businesspersons, rental income, and royalties.
- Dividends or interest on savings or bonds.
- Income from estates or trusts.
- Other cash income, including cash amounts received or withdrawn from savings, investments, trust accounts, and other resources, which would be available to pay the price of a child's meal.

#### Income Exclusions

Income not to be reported or counted includes any cash income or value of benefits a household receives from any Federal program that excludes such income by legislative prohibition (e.g., the value of Food Stamps).

Loans, such as bank loans, are not considered as income since these funds are only temporarily available and must be repaid.

The value of in-kind compensation allowances, such as military base housing or other subsidized housing, medical and dental services, are not counted as income.

Student financial assistance, such as grants and scholarships, awarded to meet educational expenses and not available to pay for meals (e.g., Pell Grants and Supplemental Educational Opportunity Grants).

Occasional earnings received on an irregular basis (e.g., not recurring, such as payment for occasional babysitting or mowing lawns).

#### **Current Income**

Households <u>must</u> report <u>current</u> income on a free and reduced price meal benefit form. Current income means income received by the household during the month prior to application. If this income is higher or lower than usual and does not fairly or accurately represent the household's actual circumstances, the household may project its annual income based on the guidelines identified below.

## Projected Income for Seasonal Workers and Others

Income reported by a seasonal worker employed during the month prior to application may not accurately reflect the household's annual income. Seasonal workers may report their projected annual income as their current income. If the prior year's income provides an accurate reflection of the household's current annual income, the prior year may be used as a base for the projected annual income.

## Self-Employment Income

Self-employed persons may use last year's income as a base to project their current year's net income, unless their current monthly income provides a more accurate measure.

Self-employed persons are credited with net income rather than gross income as described here:

- Net income for self-employment is figured by subtracting business expenses from gross receipts.
- Gross receipts include the total value of goods sold or services rendered by the business.
- Deductible business expenses include cost of goods purchased, rent, heat, utilities, depreciation charges, wages and salaries paid, and business taxes (not personal Federal, State, or local income taxes).
- The value of salable merchandise consumed by the proprietors of retail stores is not included as part of net income.

#### **Farm Income**

Net income for self-employed farmers is figured by subtracting the farmer's operating expenses from the gross receipts.

Gross receipts includes the value of all products sold; money received from the rental of farmland, buildings, or equipment to others; and incidental receipts from the sale of items such as wood, sand, and gravel.

A farmer's operating expenses include cost of feed, fertilizer, seed, and other farming supplies; cash wages paid to farmhands; depreciation charges; cash rent; interest on farm mortgages; farm building repairs; and farm taxes (but not State and Federal income taxes).

## Income From Wages and Losses From Self-Employment

For a household with income from wages and self-employment, each amount **must** be listed separately. When there is a business loss, income from wages may <u>not</u> be reduced by the amount of the business loss. If income from self-employment is negative, it should be listed as zero income.

#### Military Income/Benefits

Military benefits received in cash, such as housing allowances for military households living off base and food or clothing allowances, **must** be considered as income. However, the value of in-kind benefits other than cash, such as on-base housing, is not considered as income.

# **Income for Foster Children**

In determining income for the foster child, only the following should be considered:

- Funds provided by the welfare agency which are specifically identified by category for personal use of the child, such as for clothing, school fees, and allowances. Welfare funds identified by category for shelter and care, and those identified as special needs funds, such as those for medical and therapeutic needs are not considered as income. Where welfare funds cannot be identified by category, no portion of the provided funds are considered as income.
- Other funds received by the child. This includes, but is not limited to, monies provided by the child's family for personal use and earnings from employment other than occasional or part-time jobs.

#### Income for Institutionalized Children

Payments from any source directly received by the institution on a child's behalf are not considered as income to the child. Only income a child earns from full-time or regular part-time employment and/or personally receives while in residence at the institution may be considered as income.

#### **Student Income**

The earnings of a student who is a full-time or regular part-time employee must be listed on the meal benefit form. Occasional earnings, such as paper routes or babysitting, should not be listed on the meal benefit form.

# Alimony and Child Support

Any monies received by a household in the form of alimony or child support is counted as income. Any monies paid out for alimony or child support may not be deducted from a household's reported income.

# Lump Sum Payments

Lump sum payments or large cash settlements are not counted as income since they are not received on a regular basis. These funds may be provided as compensation for a loss that **must** be replaced, such as payment from an insurance company for fire damage to a house, or they may be payments from lottery or other winnings. When lump sum payments are put into a savings account and the household regularly draws from that account for living expenses, the amount withdrawn is counted as income.

# Garnished Wages and Bankruptcy

In the case of garnished wages and income ordered to be used in a specified manner, the total gross income **must** be considered regardless of whatever portions are garnished or used to pay creditors. Gross income is the income received by a household before deductions.

#### **CONFIDENTIALITY**

Limited
Disclosure of
Children's Free
and Reduced
Price Meal or
Free Milk
Eligibility
Information

Any time information is revealed or used for a purpose other than for the purpose for which the information was obtained is a disclosure. The Healthy Meals for Healthy Americans Act of 1994, amended the National School Lunch Act (NSLA) to allow, without consent, limited disclosure of information about free and reduced price meal or free milk eligibility. The disclosure limitations apply to all the Child Nutrition Programs.

LEAs may disclose free and reduced price meal or free milk eligibility information to the extent authorized in the statute.

Disclosure of eligibility information about participants beyond that authorized by the statute is permitted only with consent. The entity receiving the information from the LEA, hereafter termed the "receiving entity," may use the information only for the purpose authorized and may not share the information further. *LEAs are not required to disclose eligibility information*. Providing aggregate information that does not identify individuals continues to be permitted without consent. For example, providing summary information such as the number of children eligible for free or reduced price meals or free milk, but not children's names. Parental consent would not be necessary since children are not identified.

The issues of privacy and confidentiality of personal data are complicated as well as sensitive. Therefore, prior to developing local disclosure policies, we recommend that LEAs discuss the disclosure provisions with their legal counsel. At a minimum, LEAs that decide to disclose information that identifies individuals must follow these guidelines. These guidelines apply to eligibility information regardless of the manner in which the information is maintained including, but not limited to, print, tape, microfilm, microfiche, and electronic communication.

# Directly Connected Persons

Persons directly connected with the administration or enforcement are Federal, State, and local program operators responsible for program compliance, including their contractors, to the extent those persons have a need to know the information for program administration or enforcement. Program operators include persons responsible for monitoring, reviewing, auditing, or investigating the program. Contractors include evaluators, auditors, and others with whom State agencies and program operators may contract to assist in the administration or enforcement of their program.

Disclosure of program eligibility information is to be limited to those who have a "need to know" in order to maintain proper administration or enforcement of a particular program.

For example, persons having legitimate access, such as the school principal who has overall responsibility for specific programs within the school, are entitled to eligibility information. Additionally, the school food service director, cafeteria manager, and cafeteria staff who are responsible for determining free and reduced price meal eligibility and/or verifying the information, issuing the medium of exchange for free and reduced price meals, or for counting meals served by type, are persons having legitimate access to free and reduced price eligibility information. Federal, State, or local reviewers responsible for reviewing and auditing compliance with program regulations may have access to program eligibility information for monitoring purposes.

#### **Permissible Disclosure Without Prior Consent**

Disclosing
Names and
Eligibility
Status Only
Without Prior
Consent

Determining agencies may disclose, without consent, participants' names and eligibility status (whether they are eligible for free meals, free milk, or reduced price meals) to persons directly connected with the administration or enforcement of the following programs:

- <u>Federal</u> education programs, such as Title I and the National Assessment of Educational Progress.
- <u>State</u> health or State education programs provided the programs are administered by a State agency or a local education agency.
- Representatives of State or local education agencies evaluating the results and compliance with student assessment programs would be covered only to the extent that the assessment program was established at the State, not local level.
- Federal, State, or local means-tested nutrition programs with eligibility standards comparable to the National School Lunch Program (i.e., food assistance programs to households with income at or below 185 percent of the Federal poverty level, such as the Food Stamp Program or a State or local nutrition program).

Disclosing All Eligibility Information, Without Prior Consent In addition to names and eligibility status, LEAs may disclose, without consent, all eligibility information obtained through the free and reduced price meal or free milk eligibility process (including all information on the meal benefit form or obtained through Direct Certification or verification) to the following:

- Persons directly connected with the administration or enforcement of the programs authorized under the NSLA or Child Nutrition Act (CNA) of 1966. This includes the National School Lunch Program, School Breakfast Program, Special Milk Program, Child and Adult Care Food Program, Summer Food Service Program, and the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC). This means that program eligibility information collected for any one of the Child Nutrition Programs may be shared with another Child Nutrition Program, even if the programs are sponsored by different entities. For example, a public school may disclose information from children's free and reduced price meal benefit forms, without parental consent, to a Summer Food Service Program administered by Parks and Recreation.
- The Comptroller General of the United States for purposes of audit and examination.
- Federal, State, or local law enforcement officials investigating alleged violations of any of the programs under the NSLA and CNA or investigating violations of any of the programs authorized to have access to names and eligibility status.

Recommendation for Notifying Households of Potential Disclosures While not a requirement, we recommend that LEAs inform households if they plan to disclose or use eligibility information outside the originating program. The notice of potential disclosure may be in the notice/letter to households that accompanies the free and reduced price meal or free milk benefit form, on the meal benefit form, or, for participants directly certified, in the document informing households of the participants' eligibility through Direct Certification. Notification should state that the participants' names, eligibility status and other

information provided on the meal benefit form or obtained through Direct Certification or verification may be disclosed to certain other Federal, State, or local agencies as authorized by the NSLA. A list of the specific programs is not necessary.

## **Disclosures that Require Consent**

Disclosing
Eligibility
Information to
Individuals and
Programs not
Authorized under
the NSLA
Requires Written
Consent

The disclosure of participants' names and any eligibility information that identifies them individually to programs or individuals not specifically authorized by the NSLA requires written consent. Some programs that may request names and eligibility information for which consent prior to disclosure is required include:

- Local health and local education programs and other local level activities. For example, the disclosure of children's eligibility for free and reduced price meals to determine children's eligibility for free text books or reduced fees for summer school requires consent when these are local initiatives and not State programs; and
- Any other Federal, State, or local program or individual not included in the statute.

Disclosing
Information that
goes Beyond that
Allowed Under
the NSLA.

The disclosure of information other than names and eligibility status to the programs authorized only to receive participants' names and eligibility status requires written consent. For example, LEAs may disclose names and eligibility status to a Federal education program, but if the program requests family size, determining agencies must obtain consent prior to disclosure.

# Requirements for Consent Statements

The consent statement must be in writing. It may be obtained at the time meal benefit forms are distributed, or at a later time.

The consent statement must conform to the following requirements:

- The consent statement must identify the information that will be shared and how the information will be used.
- The consent statement must be signed and dated. In the case of a
  child participant, the consent statement must be signed by the parent
  or guardian of the applicant household, even though the application
  for free and reduced price meals or free milk may be signed by an
  adult household member.
- The consent statement must state that failing to sign the consent statement will not affect eligibility or participation for the program and that the information will not be shared by the receiving program with any other entity or program.
- The parent/guardian/adult must be able to limit consent to only those programs with which he or she wishes to share information. For example, the consent statement could use a check-off system under which the applicant would check or initial a box to indicate that he or she wants to have information disclosed to determine eligibility for benefits from a particular program.

#### **Disclosure of Social Security Numbers**

## Requirements for Disclosure of Social Security Numbers

When disclosing or using the social security number provided by the household on the application for any purpose other than the program for which the number was collected, the LEA must modify the notice required by the Privacy Act of 1974 concerning the potential uses of the social security number. The notice must inform households of the additional intended uses of the number.

#### **Written Agreements**

## Written Agreements

Prior to disclosing or using any information for purposes other than the program for which the information was obtained, we recommend that the LEAs enter into a written agreement with the entity requesting the information. We suggest that the agreement be signed by both the LEA and receiving entity, identify the entity receiving the information, describe the information to be disclosed and how it will be used, describe how the information will be protected from unauthorized uses and disclosures, and describe the penalties for unauthorized disclosure.

At a minimum, the receiving entity must be informed in writing that eligibility information may only be used for the purpose for which the disclosure was made, that further use or disclosure to other parties is prohibited and that a violation of this provision may result in a fine of not more than \$1000 or imprisonment of not more than 1 year, or both.

An agreement is not needed for Federal, State, or local agencies evaluating or reviewing Child Nutrition Program operations. Similarly, an agreement is not necessary for disclosures to the Comptroller General. These activities are part of routine Child Nutrition Program operations and enforcement.

## <u>Disclosing Information to the Medicaid Program</u> and MC+ for Kids

LEAs may share all information contained on the meal benefit forms with administrators of the Medicaid Program and MC+ for Kids, Missouri's Health Insurance Program.

Medicaid and MC+ for Kids program operators receiving children's free and reduced price meal or free milk eligibility information may only use that information to enroll children in State Medicaid or the MC+ for Kids Insurance Program.

## Notification of Disclosure

For any disclosures to State Medicaid and/or MC+ for Kids, parents/guardians <u>must</u> be notified of the potential disclosure and given the opportunity to elect **not** to have their children's information disclosed. The notification must inform the parents/guardian that they are not required to consent to the disclosure, that the information will be used to enroll children in a health insurance program, and that their decision will not affect their children's eligibility for free and reduced price meals or free milk. The notification may be included in the letter/notice to parents/guardians that accompanies the free and reduced price meal or free milk meal benefit form itself or in a separate notice provided to parents/guardians. For children who are determined eligible through Direct Certification, the notice of potential disclosure may be in the document informing parents/guardians of their children's eligibility for free meals through Direct Certification. The notice must be given prior to the disclosure and parents/guardians should be given a reasonable time limit to respond.

It is suggested that parents/guardians be given a minimum of 10 calendar days as a reasonable time in which to respond to a request that information not be disclosed. Additionally, in the event that a parent or guardian notifies the LEA past the deadline that he or she chooses not to permit disclosure of the child's eligibility, it would be prudent for the LEA to inform the recipient agency not to make any further use of that child's eligibility information.

A "Prototype Parent/Guardian Notification for Medicaid/MC+ for Kids" is provided on page 29.

LEAs must have a Written Agreement with Medicaid and/or MC+ for Kids The LEA <u>must</u> have a written agreement with Medicaid and/or MC+ for Kids prior to disclosing children's free and reduced price meal or free milk eligibility information. At a minimum, the agreement must identify the health insurance program or health agency receiving children's eligibility information, describe the information that will be disclosed and specify that the information must only be used to seek to enroll children in State Medicaid or MC+ for Kids, describe how the information will be protected from unauthorized uses and disclosures, describe the penalties for unauthorized disclosure, and be signed by both the LEA and the State Medicaid/MC+ for Kids.

Disclosure of information to the Medicaid Program and MC+ for Kids is effective October 1, 2000. Information can be collected prior to this date, but must not be distributed to the Medicaid Program and/or MC+ for Kids until October 1, 2000.

## **Penalties for Improper Disclosure**

# **Improper Disclosure**

The NSLA establishes a fine of not more than \$1000 or imprisonment of not more than 1 year, or both, for publishing, divulging, disclosing, or making known in any manner or extent not authorized by Federal law, any eligibility information. This includes the disclosure of eligibility information by one entity authorized under the NSLA to receive the information to any other entity, even if that entity would otherwise be authorized to receive the information directly from the LEA. For example, a State or local agency administering Medicaid and/or MC+ for Kids, which has received eligibility information from a LEA through a written agreement between the two agencies, may <u>not</u> disclose that information to any other health insurance program or health agency that is not a party to the written agreement.

#### Prototype Parent/Guardian Notification for Medicaid/MC+ for Kids

#### Dear Parent/Guardian

Children with health insurance are more likely to get preventive health care and care when they are sick. This results in fewer absences from school because of illness and children coming to school ready to learn. If your children do not have health insurance, you will be interested to know that many families getting free and reduced price school meals can also get free or low-cost health insurance for their children. However, many families do not know about the health insurance programs available to them.

The law now allows us to share your free and reduced price meal eligibility information with Medicaid and MC+ for Kids, Missouri's Health Insurance Program. Medicaid and MC+ for Kids can only use the information to identify children who may be eligible for free or low-cost health insurance and to enroll them in either Medicaid or MC+ for Kids. They are not allowed to use the information from your free and reduced price meal benefit form for any other purpose. Medicaid officials or officials with MC+ for Kids may contact you to get more information.

You are not required to allow us to share information from your children's free and reduced price meal benefit form with Medicaid or MC+ for Kids. It will not affect your children's eligibility for free and reduced price meals. If you do **not** want your information shared with Medicaid or MC+ for Kids, you must let us know. You must complete the form below and send it back to your children's school by (insert date), if you do not want your children's free and reduced price meal eligibility information shared with Medicaid or MC+ for Kids. If you want further information, you may call (name of a school contact person) at (phone).

❖ I do not want school officials to share information from my free and reduced price meal benefit form with Medicaid or MC+ for Kids.

Child's Name	School
Child's Name	School
Child's Name	
Signature of	
Parent/Guardian	<u>Date</u>
Printed name	
Address	

25

#### **QUESTIONS AND ANSWERS**

#### **Processing Meal benefit forms**

- 1. Q: How much judgment or discretion may a LEA exercise in determining whether a household does or does not meet the eligibility criteria for benefits?
  - A: Determining officials will occasionally have to apply the broad concepts set forth in this guidance to some individual situations. The determining official should contact the State agency in unusual situations.
- 2. Q: How quickly should I process meal benefit forms?
  - A: Meal benefit forms should be reviewed and an eligibility determination made within 10 working days of the receipt of the meal benefit form. Whenever possible, meal benefit forms should be processed immediately, particularly for new students who do not have approved meal benefit forms on file from the previous year.
- 3. Q: If a student leaves the LEA late in the school year (e.g. in March) and returns at the beginning of the next school year, may the student be fed based on last year's meal benefit form prior to meal benefit form approval?
  - A: Yes, if the student was eligible for benefits when the household left the LEA.
- 4. Q: If any required information is missing from the meal benefit form, may the determining official make an eligibility determination on the basis of a sibling meal benefit form?
  - A: A determining official may look to a sibling meal benefit form for any item of required information, except Temporary Assistance. Since Temporary Assistance categorical eligibility is on an individual basis, the determining official **must** either contact the household for the information or consider the meal benefit form incomplete.

The official may staple the meal benefit forms together; or photocopy the complete meal benefit form and staple the photocopy to the incomplete meal benefit form; or transfer the information from the complete meal benefit form, initialing it and noting the source of the information. The complete meal benefit form **must** be readily available for review.

- 5. Q: If any required information is missing from the meal benefit form, may the determining official complete the meal benefit form for the household using information derived from other records available to the school?
  - A: No required information may be derived from a source other than the household or a sibling meal benefit form.

- 6. Q: A household voluntarily provided pay stubs with the meal benefit form which conflict with the income information on the meal benefit form. According to the income information on the meal benefit form, the household is eligible for benefits. From the pay stubs, it appears that the household is not eligible. What should the determining official do?
  - A: The submission of eligibility information that does not support the content of the meal benefit form <a href="must"><u>must</u></a> affect the initial eligibility determination. The determining official <a href="must"><u>must</u></a> approve or deny the meal benefit form on face value and notify the household of the initial eligibility determination. Whenever the household submits eligibility information, either voluntarily or as required by the school, that does not confirm the level of benefits for which the household has been approved, the school official <a href="must"><u>must</u></a> take appropriate action. When this occurs at the time the meal benefit form is turned in to the school, the school may combine the notice of approval with the notice of adverse action in a single letter. This provides the household opportunity to resolve the discrepancy during the 10-day advance notice of adverse action. When the determining official believes that the household may have additional information substantiating the eligibility determination, the school may combine the notice of approval with the notice of selection for verification to give the household an opportunity to submit additional documentation to confirm eligibility. The inconsistency <a href="must">must</a> be resolved.
- 7. Q: A household voluntarily provided pay stubs with the meal benefit form, but did not write the amount of each person's income on the meal benefit form. All other items were completed. According to the pay stubs, the household is eligible for benefits. What should the determining official do?
  - A: The determining official may contact the household, by phone or in writing, to ensure that the household submitted all documentation of income. The official should document the contact, enter the information on the meal benefit form, and initial and date the action.

#### **Complete Meal benefit form**

- 1. Q: Does an emancipated child sign his/her own meal benefit form? Is a social security number required?
  - A: An emancipated child <u>must</u> sign his or her own meal benefit form. No social security number is required.
- 2. Q: Who signs the meal benefit form for a foster child?
  - A: The foster parent/guardian or other official representative for the child **must** sign the meal benefit form for a foster child.

- 3. Q: Does income have to be indicated on the meal benefit form for a foster child?
  - A: Yes. The child's income <u>must</u> be considered for the eligibility determination. A foster child's income includes funds provided by the welfare agency which are specifically identified by category for the personal use of the child, such as for clothing, school fees, and allowances. Other funds received by the child are included as income; i.e., income a child earns for full-time or regular part-time employment, and money provided by the child's family for personal use. If no funds are specifically identified for personal use, income should be listed as "0" and the meal benefit form should be approved for a full year. The foster parents'/guardians' income, household size, and social security number are not needed on the meal benefit form. This also applies to meal benefit forms for children residing in residential child care institutions.
- 4. Q: What if the income is not listed on a meal benefit form? Is it considered zero or should the LEA contact the household for additional information?
  - A: If income is not listed on the meal benefit form, the determining official should contact the household for additional information. If the determining official is unable to contact the household, the meal benefit form **must** be denied because it is incomplete.
- 5. Q: What if the racial/ethnic data collection question is not completed?
  - A: Parents' provision of this information is voluntary, and failure to provide the information <u>must not</u> affect the child's eligibility for benefits. The "race" section on the free and reduced price meal benefit form may be completed by school personnel and initialed. LEAs are required to develop alternative means of obtaining racial and ethnic data for applicants when such information is not voluntarily provided.
- 6. Q: What meal benefit forms may be considered for temporary approval?
  - A: Meal benefit forms receiving temporary approval may include those from households affected by temporary layoffs, strikes, temporary receipt of public assistance, and zero income. Zero income may be acceptable for a foster child or institutionalized child.
    - Determining officials should use their own judgement and consider temporary approval for other questionable situations.
- 7. Q: A meal benefit form was approved for benefits and the household notified. During a review of the meal benefit forms later in the school year, the reviewer discovered that the determining official had erred and that the information on the meal benefit form did not support the household's eligibility for benefits. What should be done?
  - A: Whenever there is a reduction or termination of benefits, households <u>must</u> be provided the 10-day advance notice of adverse action. When there is an increase in the level of benefits, the household <u>must</u> be notified and the increase in benefit level provided promptly.

- 8. Q: What kind of notice is recommended for children determined to be eligible for free or reduced price meals?
  - A: Households <u>must</u> be notified of their eligibility for benefits. LEAs should notify households of their child's eligibility for free or reduced price benefits either in writing or by phone. Households denied benefits <u>must</u> be notified in writing.

#### **Maintenance of Meal benefit forms**

- 1. Q: If the determining official temporarily approves a meal benefit form, and after the temporary approval period knows that circumstances have not changed, is the household contacted or may the temporary approval be extended?
  - A: After the temporary approval period each household should be contacted again to offer an opportunity to report changes in household size and income information.
- 2. Q: Do meal benefit forms have to be maintained at the school or may they be maintained at a central location with a list of eligible students maintained at the school?
  - A: Meal benefit forms may be maintained either at the school or at a central location with a list of eligible students maintained at the school. If an LEA elects to maintain meal benefit forms at a central location, meal benefit forms <u>must</u> be retrievable by school, and the LEA <u>must</u> ensure that changes in eligibility status and transfers in and out of the school are accurately reflected on each school's list within 3 operating days.
- 3. Q: In a computerized operation, where the computer generates the determination, does the determining official have to sign or initial each meal benefit form?
  - A: No. The determining official may sign/initial and date a sheet of paper which would then be attached to a batch of meal benefit forms. The computer system should indicate the original date of approval and update the status of meal benefit forms to account for transfers, withdrawals, terminations, and other changes.
- 4. Q: May changes in status of a meal benefit form be maintained in a computer instead of being noted on the meal benefit form?
  - A: Yes. Changes in the status of a meal benefit form may be maintained in a computer instead of being noted on the meal benefit form. School officials **must** ensure that the changes are readily retrievable by school and are provided to State and Federal reviewers along with the meal benefit forms during a review.

#### **Income**

- 1. Q: Why is the off-base housing allowance provided to service personnel counted as income when the value of on-base housing is not?
  - A: Income is defined as all cash received on a recurring basis. In-kind benefits, by definition, are not cash payments, and, therefore, are not considered as income for the purpose of determining free and reduced price eligibility. School officials are not in a position to determine the value of in-kind benefits, such as housing for clergy, cars for salespersons, employee medical or dental benefits, etc. The income exclusion for in-kind benefits is uniform throughout the school meal programs. To treat in-kind benefits provided to military households differently from in-kind benefits provided to the general population would create an inequity. The fact that the value of military on-base housing is more readily identifiable than other sources of in-kind benefits would not lessen the inequity.
- 2. Q. What income is reported for students who reside in an institution?
  - A. Payments from any source, directly received by the institution on the child's behalf, are not considered as income to the child. However, the money a child personally receives or earns from any full-time or regular part-time source is considered income.
- 3. Q: Is a meal benefit form with household size and income information required for students who reside in an institution and attend public school during the day?
  - A: Yes. The day school <u>must</u> have a meal benefit form on file for each child for whom a free or reduced price meal is served and claimed for reimbursement, regardless of the child's place of residence.
    - Institutionalized children are not to be categorically certified as eligible for free or reduced price benefits. A record of each child's income, even if "0," **must** be identified on the meal benefit form.
- 4. Q: If the household indicates \$0 for income, is that sufficient?
  - A: "Zero income" is sufficient for a temporary approval. School officials should confirm the continued eligibility of a zero income meal benefit form every 45 days. Some circumstances may warrant approval of a zero income meal benefit form for the school year, such as for the foster or institutionalized child.
- 5. Q: If one household owns a housing unit and rents living space to another household, does the household receiving the rental fee have to report this amount as income?
  - A: Yes. If a household receives rental income from another household, it <u>must</u> be included as income. The treatment of rental income would be similar to the treatment of self-employment income.

#### **Household Size**

- 1. Q: When foster parents apply for benefits for their own children, do they include their foster children as household members, and do foster parents include the payments provided by the welfare agency for care of the foster children as income to the household?
  - A: No. Since each foster child, including a preschool foster child, is a household of one, foster children are not included in the foster parents' household. Payments received by the household for care of the foster child are intended to be used for the foster child and are not included as part of the foster parents' income.
- 2. Q: How do I handle joint custody of a child?
  - A: In cases where joint custody has been awarded, the child is part of the household where he/she resides. In some cases, the child's living arrangements could change monthly, weekly, or daily. The child <u>must</u> be provided benefits during periods of eligibility. The LEA <u>must</u> develop some mechanism to ensure that the child receives the benefits to which the child is entitled.
- 3. Q: What if a child lives with his/her parents and is required to pay for room and board? Is the child a separate household?
  - A: No. The family continues to have legal responsibility for the child. The child may be considered a separate household only in those cases where the court has declared the child to be emancipated.
- 4. Q: Two separate households rent living space (e.g., an apartment or house). One household gives its portion of the rent to the other household which transmits the full rent to the landlord. Does the rental income given to the transmitting household count as rental income?
  - A: No. The transmitting household has not received income.
- 5. Q: What if a child is eligible for free meals, but the household wants to pay the reduced price?
  - A: The school should respect the family's wishes and allow the child to pay the reduced price charge. The meal benefit form should correctly reflect that the child is eligible for free meals. The school should note on the meal benefit form that the family has elected to pay the reduced price charge. The meals served to such a child **must** be claimed for reduced price reimbursement since the school received the reduced price payment from the household.

- 6. Q: How does the determining official determine the eligibility of a household that has some children who are receiving Temporary Assistance and other children who are not?
  - A: Separate meal benefit forms <u>must</u> be filed. Children receiving Temporary Assistance are categorically eligible for free benefits. The meal benefit form for such children need only contain the child's name, a current Temporary Assistance number, and the signature of an adult household member. The meal benefit form for children in the same household who do not receive Temporary Assistance <u>must</u> include the information required of all other households; i.e., names of all household members; the amount of monthly income each household member receives, where it comes from (including the amount of Temporary Assistance or other welfare grant); the signature of an adult household member; and social security number of the member or an indication that the household member does not have a social security number. When the LEA uses a multi-child meal benefit form, the meal benefit form would include both the Food Stamp/Temporary Assistance number(s) for the children who are categorically eligible and the household size/income information for the income eligible children.

#### Automatic eligibility for free meals/milk for children enrolled in a Head Start Program

- 1. Q: Can children enrolled in a Head Start Program be considered automatically eligible for free meals/milk without a completed meal benefit form?
  - A: Yes, in certain cases. A child shall be considered eligible for free meals/milk without further application or eligibility determination if the child is enrolled as a participant in the Head Start Program under the Head Start Act; e.g., the child must be part of Head Start's "funded enrollment." The child must be determined, by the Head Start grantee, to be a member of a family that meets the low-income criteria prescribed under the Head Start Act. For more detailed information regarding eligibility for Head Start children contact the State agency.

#### Offering more than one reimbursable lunch/breakfast

- 1. Q: If the school offers a choice of reimbursable meals at the same price or at different prices, must all options be available to free and reduced price meal recipients?
  - A: Yes. In an effort to increase participation, schools may offer students a choice of reimbursable meals.

    One meal may be more expensive because of a special meal item. All recipients must be able to take any one of the meals.